Africa’s cotton industry looks to the future

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From Egyptian cotton bed sheets (said to be the most luxurious in the world) to the towels you use after a shower; or the undergarments, blue jeans, shirts and socks that you might wear – all originate from a small white boll, or seedpod, that is cultivated around the world. This makes cotton one of the world’s most important commodities, and the most valuable non-food agricultural crop.

Africa is an important producer and the continent has a significant role further along the value chain as a manufacturer of apparel. Africa grows just under 10% of the world’s total cotton harvest, but unlike any other region it is the smallholder farmer, rather than large-scale plantations, that grow this crop.

Cottonseed is also used to extract edible oil that is used, especially in West Africa, in both animal feed and products like margarine. Out of the 12 leading African cotton-producing countries, eight are in West Africa.

The rest of Africa’s cotton growing takes place among four zones along a north–south strip stretching from the Nile Valley to South Africa. The most important zone is that of the Nile Valley. Egypt has long been a leading African producer.

The Origin Africa conference in Mauritius, organised under the aegis of the African Cotton and Textile Industries Federation (ACTIF), took place over two days in September and drew delegates from across the continent and further afield; from Asia, the Americas, the US and Europe.

The first day’s presentations were taken up with the issues concerning cotton production and the various international crop certification options. One of the principal organisations offering global cotton production standards is the Better Cotton Initiative (BCI). Its representative,
Romain Deveze, described how the BCI is bringing an integrated approach to tackling the vulnerabilities of the complex supply chain to ensure the industry’s sustainability.

The BCI works with about one million farmers, or 8.8% of the global total who grow the crop, to reduce the use of pesticides, synthetic fertilisers and water while increasing farmers yields and the take-up of organic fertilisers.

These are important objectives, for, as the Environmental Justice Network has reported, cotton accounts for 26% of global insecticide releases – more than any other single crop. Almost 2kg of hazardous pesticides are applied to every hectare of land under cotton cultivation.

These troubling statistics are just the latest chapter in the awful history of a crop that underpinned the transatlantic slave trade and caused millions of Africans to be abducted and subjugated to a life of hard labour in the cotton plantations of the southern US.

The cotton industry became one of the world’s largest industries, and most of the world’s supply of cotton came from the US South, fuelled by the labour of slaves on plantations.

Even with the Union’s victory in the civil war, the fortunes of plantation slaves changed little. Many became sharecroppers, eking out a precarious living on a small plot of land growing cotton.

From 1803 to 1937, the US was the world’s leading cotton exporter. Its cotton industry became a powerful political lobby, able to sway successive administrations to grant subsidies to cotton farmers. Cotton’s financial and political influence in the 19th century has been likened to that of the oil industry in the early 21st century.

Accessing the US market

By the end of the 1990s, the big four West African cotton farmers – Benin, Burkina Faso, Chad and Mali – had joined together to express their unhappiness at these unfair subsidies, but it was Brazil that had the financial muscle to take the US to the WTO, which found against the US and ordered the elimination of cotton production subsidies as well as the US agricultural commodity export guarantee programmes.

While Marsha Powell, representing Cotton USA at the Mauritius conference, implied that US government support to US cotton farmers was a thing of the past, a number of other delegates told African Business that US policy continues to skirt international trade rules. The result has been that, effectively, the US restricts competition from overseas cotton producers.

Nevertheless, the African Growth and Opportunity Act (AGOA), has empowered African manufacturers to export clothing to the US tariff free. This has been driven by, in the main, Indian, Chinese and Turkish manufacturers switching their manufacturing to African countries. But there are moves by smaller African manufacturers to win valuable export market share.

For example, the Nigerian Export Promotion Council organised half a dozen designers to travel to Mauritius and showcase their fashions at the trade show that followed the conference.
Speaking to African Business, Muinet Atunnise of Atunnise Clothiers said that she would be returning to Lagos enthused by the reception her collection had received and determined to take advantage of the many international connections she had made.

As far as the mass-market industry is concerned Kenya, Lesotho and Mauritius account for much of the apparel exports under AGOA. In 2014, Kenya exported $423m worth of apparel to the US, followed by Lesotho with $289m, Mauritius $227m and Swaziland $77m.

According to Gail Strickler, assistant US trade representative for textiles and apparel, African textile and apparel exports to the US could potentially quadruple to $4bn over the next decade, creating 500,000 new jobs, through the renewal of the AGOA signed into law in June 2015.

**Impact of new technologies**

But the Origin Africa conference did far more than just discuss macro-economic trends. The second day’s proceedings included a debate on the fourth industrial revolution (essentially the application of new technologies to the industrial process) and its impact on the industry.

As Jaswinder Bedi, the ACTIF chairman commented, harnessing new technologies at the right time and throughout the textile value chain is an essential element for the industry to continue to benefit Africa’s millions of cotton farmers.

And speaking to African Business, Yousouf Djime Sidime, the permanent secretary to the Bamako-based Association of African Cotton Producers said that his organisation was determined to both grow production and ensure farmers received a fair price for their harvests.